
TESTIMONY

By

The Kansas Association of Public Employees

Before the Kansas Health Policy Authority

The Honorable Connie Hubbell -- Chairman

Thursday, July 13, 2006 – Reardon Convention Center – Kansas City, Kansas

MADAM CHAIRMAN AND MEMBERS OF THE AUTHORITY:

I am Carl Hill, chief of staff of the Kansas Association of Public Employees. On behalf of our President Brian R. Thompson who appears here with me, we appreciate the opportunity to discuss with you the Authority's new role. KAPE represents more than 20,000 public employees and retirees across Kansas.

To begin with, Madam Chairman, we congratulate you and Doctor Nielsen on your new positions with the Authority and wish you well. Please know that our organization stands ready to assist you in any appropriate way.

Quite frankly, neither President Thompson nor I knew quite what to expect as to the outcome of today's town hall meeting. The dialog has been very interesting, and we are certain that it gives the Authority food for thought as it works in the coming year to define its role.

Our decision to speak this afternoon is done so to offer a different perspective from what members and this audience have previously heard. We offer the opinion of a large group of health care consumers who seek relief from the escalating costs of health care services – the active and retired public employees.

Our vision for the role of the Authority could be summed up in two ways: 1) We urge the Authority to use the tremendous buying power of the state of Kansas to find the most cost-effective health care supplies and services for the consumer, and 2) Develop an effective education program to encourage consumers to use their health care services prudently.

The economies of scale the state of Kansas uses to contract goods and services have proven economically beneficial on many fronts. It has been used to keep health care costs in check, and should continue to be used to save both consumer and taxpayer dollars in ensuring cost-effective value. Is it possible for the state to negotiate lower prescription drug costs to provide relief to all consumers, but especially to the elderly who are on fixed incomes? As an example, recipients of benefits from the Kansas Public Employee Retirement System (KPERs) have not received a cost-of-living adjustment since 1998; yet, the Social Security Administration raised the COLA for its recipients in January by 4.1 percent, citing the escalating costs of fuel and prescription medicines.

We would challenge the Authority to develop strategies for finding some much-needed relief to this group of our Kansas neighbors.

Likewise, the Authority should begin an aggressive education campaign to assist consumers in making wise health care choices. We absolutely do not suggest that if a person is ill that they do not seek medical attention, but one should ask if that trip to the doctor's office to confirm a sore throat is truly necessary. Also, educating the consumer about the characteristics of generic and brand name medications and which is an acceptable choice is an important goal.

In summary, if the purpose of this newly-established Authority is, in part, to address the needs of those receiving service, then we suggest that it embrace strategies to use the state's "buying power" to negotiate cost-effective contracts for health care goods and services and to launch an education program to assist consumers in making wise health care buying decisions.

We thank you for the opportunity to appear. May I invite your questions or comments?

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